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Attorneys for Defendants Susan Decker,
Daniel Rosensweig, and Farzad Nazem

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

JOHN OLAGUES on behalf of YAHOO!,
Plaintiff,

v.

SUSAN L. DECKER, FARZAD NAZEM, AND
DANIEL ROSENSWEIG,
Defendants.

Case No. C07-02686-MJJ
Assigned to Hon. Martin J. Jenkins

**JOINT STIPULATION RE
VOLUNTARY DISMISSAL OF
COMPLAINT WITH PREJUDICE
(FRCP 41(a)(1))**

Action Filed: May 21, 2007
Trial Date: None Set

VOLUNTARY DISMISSAL OF COMPLAINT WITH PREJUDICE

Plaintiff John Olagues ("Plaintiff") and, by and through their counsel, Defendants Susan Decker, Farzad Nazem, and Daniel Rosensweig (collectively, "Defendants"), hereby stipulate as follows:

1. On July 12, 2006, Plaintiff filed a complaint against Yahoo!'s then Chief Executive Officer, Terry Semel, alleging that he violated Section 16(b) of the Securities Act of 1934 ("1934 Act") by acquiring 2.9 million Yahoo! employee stock options in March 2004, and subsequently selling other Yahoo! stock within six months. *Olagues v. Semel*, No. C06-04286 MJJ, 2007 U.S. Dist. LEXIS 55382, at *1 (N.D. Cal. Jan. 18, 2007) (hereinafter "*Semel*").

2. On October 6, 2006, Mr. Semel moved to dismiss Plaintiff's complaint. Following a hearing conducted on January 9, 2007, Judge Jenkins dismissed with prejudice Plaintiff's complaint against Semel. *Id.* at *10-11.

3. On May 21, 2007, Plaintiff filed the complaint in this action, "Initial Complaint for Disgorgement Under Section 16(b) of the 1934 Securities Act" ("Complaint") against Defendants, allegedly officers or directors of Yahoo! at the time of the transactions at issue.

4. As in the *Semel* action, Plaintiff alleges that Defendants violated Section 16(b) of the 1934 Act by selling Yahoo! stock within six months of the following grants:

- On February 1, 2005, Yahoo! granted to each Defendant 550,000 non-qualified stock options, and 150,000 shares of restricted stock (the "February 2005 Grants"); and
- On May 31, 2006, Yahoo! granted to Mr. Rosensweig 2.1 million non-qualified stock options (the "May 2006 Grant").

5. On July 27, 2007, the Ninth Circuit summarily affirmed this Court's order and dismissal with prejudice of the *Semel* suit, *Olagues v. Semel*, No. 06-04286-MJJ, 2007 U.S. Dist. 55382 (N.D. Cal. Jan. 18, 2007), *aff'd*, No. 07-15202, 2007 U.S. App. LEXIS 18358 (9th Cir. July 27, 2007).

7. Plaintiff recently sold all of his Yahoo! stock, and therefore no longer has standing to maintain this lawsuit.

¹ All references to "Doc. ____" are to the documents filed in this litigation by their docket number automatically assigned by the PACER docketing system.

1 8. Having reviewed Defendants' Motion and, in particular Defendants' collateral
2 estoppel argument, and in light of the Ninth Circuit's summary affirmance in the *Semel* suit and
3 his lack of standing to maintain this lawsuit, Plaintiff has agreed to voluntarily dismiss the
4 Complaint with prejudice under Rule 41(a)(1) of the Federal Rules of Civil Procedure. The
5 parties shall bear their own costs and attorneys' fees.²

6 ACCORDINGLY, IT IS SO STIPULATED.

7
8 Dated: October 17, 2007

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9
10
11 By: 

12 Mark D. Gursky

13 Attorneys for Defendants Susan Decker,
14 Farzad Nazem, and Daniel Rosensweig

15 Dated: October 17, 2007

JOHN OLAGUES

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17 By: 

18 John Olagues

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25 ² Plaintiff filed a "Motion for Withdrawal and Dismissal" on October 16, 2007. The
26 parties subsequently agreed to submit this joint stipulation because Defendants had already filed a
27 Motion to Dismiss, or in the Alternative, for Summary Judgment, thus requiring any voluntarily
28 dismissal to be by joint stipulation under Rule 41(a)(1).